

**BAYOU COMPREHENSIVE
HEALTH FOUNDATION, LTD
Lake Charles, Louisiana**

**Financial And Compliance Report
May 31, 2005 and 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-15-06

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Founded in 1978

BROUSSARD & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bayou Comprehensive Health Foundation, Ltd
Lake Charles, Louisiana

We have audited the accompanying statements of financial position of Bayou Comprehensive Health Foundation, Ltd., (a non-profit organization) as of May 31, 2005 and 2004, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Bayou Comprehensive Health Foundation, Ltd. as of May 31, 2005 and 2004, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2005, on our consideration of Bayou Comprehensive Health Foundation, Ltd.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Bayou Comprehensive Health Foundation, Ltd. taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements of Bayou Comprehensive Health Foundation, Ltd. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements of Bayou Comprehensive Health Foundation, Ltd. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Broussard & Company

Lake Charles, Louisiana
September 8, 2005

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BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.**Lake Charles, Louisiana****Statements of Financial Position****As of May 31,**

	<u>2005</u>	<u>2004</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,903,726	\$ 1,967,986
Certificate of deposit	880,521	-
Patient accounts receivable, net	297,461	345,070
Supplies inventory	26,999	43,019
Prepaid expenses	7,397	2,459
Due from provider	-	64,525
Other receivables	180	2,916
	<u>3,116,284</u>	<u>2,425,975</u>
Total Current Assets		
	<u>3,116,284</u>	<u>2,425,975</u>
Property, Plant and Equipment		
Furniture and equipment	482,658	895,735
Building and improvements	1,210,460	1,211,955
Automobiles	12,819	18,479
	<u>1,705,937</u>	<u>2,126,169</u>
Less accumulated depreciation	<u>(748,498)</u>	<u>(1,109,090)</u>
	957,439	1,017,079
Land	<u>80,917</u>	<u>80,917</u>
	1,038,356	1,097,996
Net Property, Plant and Equipment		
	<u>1,038,356</u>	<u>1,097,996</u>
Other Assets		
Certificates of deposit	<u>400,000</u>	<u>279,859</u>
	400,000	279,859
Total Assets	<u>\$ 4,554,640</u>	<u>\$ 3,803,830</u>

See accompanying notes to financial statements.

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.

Lake Charles, Louisiana

Statements of Financial Position (Continued)

As of May 31,

	<u>2005</u>	<u>2004</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 44,879	\$ 48,186
Accrued vacation and payroll	101,407	92,887
Payroll taxes payable	15,231	16,406
Accrued interest payable	332	1,345
Physician incentive payable	-	150,454
Deferred income	17,990	-
Current portion of notes payable	51,198	51,860
Current portion of obligations under capital lease	-	22,678
Total Current liabilities	<u>231,037</u>	<u>383,816</u>
Long Term Liabilities		
Notes payable - net of current portion	<u>461,119</u>	<u>508,791</u>
Total Liabilities	<u>692,156</u>	<u>892,607</u>
Net Assets		
Unrestricted net assets	<u>3,862,484</u>	<u>2,911,223</u>
Total Liabilities and Net Assets	<u>\$ 4,554,640</u>	<u>\$ 3,803,830</u>

See accompanying notes to financial statements.

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.
Lake Charles, Louisiana
Statements of Activities
For the Year Ended May 31,

	<u>2005</u>	<u>2004</u>
Revenue and Support		
Revenue:		
Net patient service revenue	\$ 2,761,712	\$ 2,461,324
Support:		
Grant awards	1,069,990	1,053,491
Contributions	12	20,801
Other income	152,955	29,068
Total Support	1,222,957	1,103,360
Total Revenue and Support	3,984,669	3,564,684
Expenses		
Program Services:		
Medical	1,329,952	1,581,137
Ancillary	169,779	274,905
Enabling services	81,868	73,155
WIC program	101,503	78,916
Total Program Services	1,683,102	2,008,113
Support Services:		
General and administrative	1,350,306	946,928
Total Expenses	3,033,408	2,955,041
Change in Net Assets	951,261	609,643
Net Assets - Beginning of Year	2,911,223	2,301,580
Net Assets - End of Year	\$ 3,862,484	\$ 2,911,223

See accompanying notes to financial statements.

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.

**Lake Charles, Louisiana
Statements of Cash Flows
For the Year Ended May 31,**

	<u>2005</u>	<u>2004</u>
Cash Flows From Operating Activities		
Change in net assets	\$ 951,261	\$ 609,643
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	89,510	72,826
Debt forgiveness (net)	(108,607)	-
Change in allowance for doubtful accounts	(34,131)	25,323
(Increase) decrease in accounts receivable	81,740	(45,070)
(Increase) decrease in cost report receivable	-	384,262
(Increase) decrease in other receivables	2,736	235
(Increase) decrease in supplies inventory	16,020	(26,932)
(Increase) decrease in prepaid expenses	(4,938)	3,804
(Increase) decrease in deposits	-	2,893
Increase (decrease) in accounts payable	(3,307)	(22,519)
Increase (decrease) in accrued vacation and payroll	9,223	27,555
Increase (decrease) in other payables	(2,890)	799
Increase (decrease) in deferred grant income	17,990	(40,542)
Other	1,557	-
Net Cash Provided (Used) by Operating Activities	<u>1,016,164</u>	<u>992,277</u>
Cash Flows From Investing Activities		
Purchase of certificate of deposit	(1,000,662)	(179,345)
Fixed asset acquisitions	(31,428)	(253,500)
Net Cash Provided (Used) by Investing Activities	<u>(1,032,090)</u>	<u>(432,845)</u>
Cash Flows From Financing Activities		
Principal payments on bank loans	(48,334)	(48,491)
Principal payments on capital leases	-	(1,665)
Net Cash Provided (Used) by Financing Activities	<u>(48,334)</u>	<u>(50,156)</u>
Net Increase in Cash and Cash Equivalents	(64,260)	509,276
Cash and Cash Equivalents - Beginning of Year	<u>1,967,986</u>	<u>1,458,710</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,903,726</u>	<u>\$ 1,967,986</u>
Supplemental Disclosure:		
Interest paid	<u>\$ 31,927</u>	<u>\$ 34,700</u>

See accompanying notes to financial statements.

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.
Lake Charles, Louisiana
Schedule of Functional Expenses
For the Year Ended May 31, 2005

	Program Services			Supporting Services		Total	
	Medical	Ancillary	Enabling Services	WIC Program	General and Administrative	2005	2004
Salaries	\$ 663,246	\$ 77,016	\$ 55,376	\$ 62,842	\$ 692,811	\$1,551,291	\$1,295,185
Fringe benefits	24,791	5,047	1,521	536	66,460	98,355	85,648
Payroll taxes	43,042	7,790	2,036	4,574	53,494	110,936	99,304
Consultants and contractual services	513,109	45,443	4,552	-	53,806	616,910	875,547
Supplies	24,847	18,262	7,075	27,560	42,603	120,347	150,692
Dues and subscriptions/printing	11,029	3,164	545	89	26,867	41,694	43,263
Maintenance and repairs	1,793	8,968	-	21	18,445	29,227	7,124
Telephone	12,970	1,097	-	1,145	12,991	28,203	29,635
Postage	-	-	-	-	9,677	9,677	8,179
Insurance	7,025	803	161	964	8,990	17,943	12,425
Travel and seminars	13,800	-	7,214	2,791	34,145	57,950	34,113
Taxes and licenses	-	61	-	-	919	980	6,504
Utilities	6,704	1,024	2,237	981	9,934	20,880	20,104
Interest	-	-	-	-	29,336	29,336	34,669
Legal and professional	4,224	453	1,151	-	19,280	25,108	25,067
Rent - equipment	-	651	-	-	983	1,634	4,073
Miscellaneous	-	-	-	-	24,295	24,295	52,998
Service charges	-	-	-	-	762	762	15,584
Fuel cost	-	-	-	-	930	930	748
Recruitment cost	3,372	-	-	-	1,878	5,250	1,359
Total expenses before depreciation, bad debts and loss on disposal of equipment	1,329,952	169,779	81,868	101,503	1,108,606	2,791,708	2,802,221
Depreciation and amortization	-	-	-	-	89,510	89,510	72,826
Bad debt expense	-	-	-	-	152,633	152,633	79,994
Loss (gain) on disposal of equipment	-	-	-	-	(443)	(443)	-
Total expenses	\$ 1,329,952	\$ 169,779	\$ 81,868	\$ 101,503	\$ 1,350,306	\$3,033,408	\$2,955,041

See accompanying notes to financial statements.

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.

Lake Charles, Louisiana

Notes to Financial Statements

May 31, 2005 and 2004

NOTE 1 - NATURE OF ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Bayou Comprehensive Health Foundation, Ltd. (a nonprofit corporation) operates as Southwest Louisiana Center for Health Services. The Organization was incorporated May 1, 1978 to provide comprehensive health care to area residents, with particular emphasis on the socio-economically disadvantaged.

The Organization is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue Code.

Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Organization considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment is stated at cost. It is the Organization's policy to capitalize expenditures for these items in excess of \$500. Depreciation of property and equipment is computed principally by the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building	30
Equipment, furniture and fixtures	3 - 20
Vehicles	5

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.
Lake Charles, Louisiana
Notes to Financial Statements (Continued)
May 31, 2005 and 2004

NOTE 1 - NATURE OF ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activity. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Accounts Receivable

The Organization records accounts receivable at the time of service according to fees developed from cost data of this and similar organizations. These amounts are often reduced because of the patients' inability to pay or because of disallowances and reductions from third party payors.

Bad Debts

The Organization uses the allowance method in accounting for its un-collectible accounts.

Inventory

Supply inventories are stated at lower of cost, determined by the FIFO method, or market.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered.

NOTE 2 - PATIENT ACCOUNTS RECEIVABLE

Patient accounts receivable are comprised of the following for the years ending May 31,:

	2005	2004
Medicare	\$ 91,351	\$34,599
Medicaid	153,471	238,460
Private	144,813	198,315
	<u>389,635</u>	<u>471,374</u>
Less allowance for doubtful accounts	92,174	126,304
	<u>\$ 297,461</u>	<u>\$ 345,070</u>

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.
Lake Charles, Louisiana
Notes to Financial Statements (Continued)
May 31, 2005 and 2004

NOTE 3 - COST REPORT RECEIVABLE

The Organization participates in the Medicare and Medicaid programs as a provider of medical services to program beneficiaries. The Organization participates in the Medicaid program as a federally qualified health center. Final settlements will be made upon completion of audits by program representatives.

NOTE 4 - ACCRUED VACATION

The Organization allows employees to carry over unused vacation hours, with written permission from the executive director. The accrual is calculated based on the employee's pay rate at the end of the year. At May 31, 2005 and 2004, accrued vacation totaled \$62,456 and \$61,195, respectively.

NOTE 5 - NOTES PAYABLE

Notes payable for the twelve months ended May 31, 2005 consisted of the following:

Bank note payable, due in 35 equal monthly installments of \$6,859.55 and one final installment due January, 2006 of \$480,312.80, including interest at 5.67%, collateralized by real estate with a carrying value of \$741,886. Expected to be refinanced at 6.13% for 8 years	\$ 512,317
Less current portion	<u>(51,198)</u>
Long-term debt	<u>\$ 461,119</u>

Maturities of debt are as follows:

<u>May 31,</u>	<u>Amount</u>
2006	\$ 51,198
2007	54,426
2008	57,858
2009	61,506
2010	65,384
2011 -2013	<u>221,945</u>
Total	<u>\$ 512,317</u>

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.
Lake Charles, Louisiana
Notes to Financial Statements (Continued)
May 31, 2005 and 2004

NOTE 6 - ECONOMIC DEPENDENCY

The Organization receives a substantial portion of its total support and revenues from the federal government. During the years ended May 31, 2005 and 2004, Bayou Comprehensive Health Foundation, Ltd. recorded \$1,019,991 and \$1,003,491 respectively, in grant support from the Department of Health and Human Services. This represents 26.4% and 29.5% of total support and revenues for the years ended May 31, 2005 and 2004, respectively.

NOTE 7 - CONCENTRATIONS OF CREDIT RISK

The Organization maintains several bank accounts at various banks. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. The Organization has certificates of deposit at five local financial institutions and ten nationwide financial institutions. The total FDIC coverage for these investments totaled \$1,495,000 as of May 31, 2005. Cash and deposits at the five local institutions and money market account exceeded federally insured limits by \$1,403,726 as of May 31, 2005 and \$1,707,259 as of the May 31, 2004.

The majority of the Organization's patients are located in Southwest Louisiana. The Organization grants credit without collateral to its patients. A significant number of them are covered by Medicaid.

NOTE 8 - FUNCTIONAL ALLOCATION OF EXPENSES

Expenses were allocated in the accompanying financial statements to program and supporting service functional expense groups. The methods of allocation were based on several factors such as utilization of office space as well as the Organization's estimates of the relative proportion of various staff members' time and effort between program and administrative functions.

NOTE 9 - CHARITY CARE

The Organization provides care to patients who qualify under federal guidelines and other policies of the Organization at fees less than its established rates. The amount of charity care is reduced from the amount of fees for services presented in the statement of activities. The amount of charity care for the years ended May 31, 2005 and 2004 were \$412,159 and \$471,683.

NOTE 10 - 401(k) PLAN

The Organization sponsors a 401 (k) Plan covering substantially all of its employees. The employees may elect to make contributions pursuant to a salary reduction agreement upon meeting eligibility requirements. The Organization made matching contributions of \$13,397 for the year ended May 31, 2005.

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.

**Schedule of Expenditures of Federal Awards
Year Ended May 31, 2005**

<u>Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Program Year</u>	<u>Program Receipts</u>	<u>Program Expenses</u>
U.S. Department of Health and Human Services:					
Direct programs:					
Community Health Center Section 330	93.224	H80 CS 00558-03-02	6/1/04 - 5/31/05	\$ 1,019,991	\$ 1,019,991
U.S. Department of Agriculture: Passed through: Louisiana Department of Health and Hospitals: Office of Public Health	10.572		10/1/04 - 9/30/05	<u>73,251</u>	<u>73,251</u>
Total federal assistance				<u>\$ 1,093,242</u>	<u>\$ 1,093,242</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Bayou Comprehensive Health Foundation, LTD., and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Certain costs have been allocated to the federal program in accordance with OMB Circular A-122, Cost Principles for Non-Profit Organizations. The amounts presented in this schedule do not differ from amounts presented in, or used in the preparation of the financial statements.



Founded in 1978

BROUSSARD & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Bayou Comprehensive Health Foundation, Ltd.
Lake Charles, Louisiana

We have audited the financial statements of Bayou Comprehensive Health Foundation, Ltd. (a nonprofit organization) as of and for the May 31, 2005, and have issued our report thereon dated September 8, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the *Comptroller General of the United States*.

Internal Control Over Financial Reporting

In planning and performing our audit we considered Bayou Comprehensive Health Foundation, Ltd.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bayou Comprehensive Health Foundation, Ltd.'s, financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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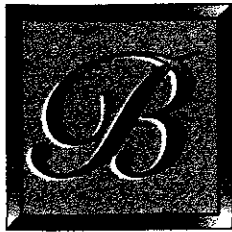
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Board of Directors
Bayou Comprehensive Health Foundation, Ltd.
Lake Charles, Louisiana
Page 2

This report is intended solely for the information of the audit committee, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Brennand & Company

Lake Charles, Louisiana
September 8, 2005



Founded in 1978

BROUSSARD & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, L.L.C.

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Board of Directors
Bayou Comprehensive Health Foundation, Ltd.
Lake Charles, Louisiana

Compliance

We have audited the compliance of Bayou Comprehensive Health Foundation, Ltd., with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the May 31, 2005. Bayou Comprehensive Health Foundation, Ltd.'s, major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Bayou Comprehensive Health Foundation, Ltd.'s, management. Our responsibility is to express an opinion on Bayou Comprehensive Health Foundation, Ltd.'s, compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bayou Comprehensive Health Foundation, Ltd.'s, compliance with those requirements performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Bayou Comprehensive Health Foundation, Ltd.'s, compliance with those requirements.

In our opinion, Bayou Comprehensive Health Foundation, Ltd., complied in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the May 31, 2005.

Board of Directors
Bayou Comprehensive Health Foundation, Ltd.
Lake Charles, Louisiana
Page 2

Internal Control Over Compliance

The management of Bayou Comprehensive Health Foundation, Ltd., is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Bayou Comprehensive Health Foundation, Ltd.'s, internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information of the audit committee, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Bransard & Company

Lake Charles, Louisiana
September 8, 2005

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.

**Schedule of Findings and Questioned Cost
Year Ended May 31, 2005**

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued Unqualified
Internal control over financial reporting:
Material weaknesses identified? ☐ Yes ☒ No
Reportable conditions identified not considered
to be material weaknesses? ☐ Yes ☒ None reported
Noncompliance material to financial statements
noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:
Material weaknesses identified? ☐ Yes ☒ No
Reportable conditions identified not considered
to be material weaknesses? ☐ Yes ☒ None reported
Type of auditor's report issued on compliance
for major programs: Unqualified
Any audit findings disclosed that are required
to be reported in accordance with Circular
A-133, Section .510 (a)? ☐ Yes ☒ No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.224	US Department of Health and Human Services, Community Health Center Section 330

Dollar threshold used to distinguish between

Type A and Type B programs: \$500,000

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

BAYOU COMPREHENSIVE HEALTH FOUNDATION, LTD.
Summary Schedule of Prior Year Findings and Questioned Costs
Year Ended May 31, 2004

NONE